GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA

UNSTARRED QUESTION NO:2520
ANSWERED ON:19.03.2002
RELEASE OF FUNDS TO PANCHAYATS
KINJARAPU YERRANNAIDU

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the Government propose to link the release of funds and delegation of powers to Panchayati Raj Institution with their performance;

(b) if so, the details thereof;

(c) whether the State Governments have been consulted in this regard; and

(d) if so, the details thereof?

Answer

MINISTER OF RURAL DEVELOPMENT (SHRI M. VENKAIAH NAIDU)

(a) to (d): Article 243-G of the Constitution empowers the State Legislatures to devolve powers upon Panchayats in respect of 29 subjects listed in the Eleventh Schedule. Article 243-I provides for the constitution of a State Finance Commission to determine the principles which would govern the devolution of funds from the State Government to the PRIs.

2. The Central Government have urged the State Governments, from time to time, to transfer funds, functions and functionaries to PRIs for their effective functioning as institutions of self Governance. At a Conference of the Ministers of Panchayati Raj of the States and Union Territories, held in July, 2001, it was, inter-alia, resolved that the States/Union Territories would, by the end of March, 2002, devolve powers upon Panchayats in respect of the 29 subjects listed in the Eleventh Schedule and issue executive instructions devolving specific powers upon each tier of Panchayats.